Congress of the United States Washington, DC 20515

July 12, 2011

The Honorable Jonathan Woodson M.D.
Assistant Secretary of Defense for Health Affairs
Office of Assistant Secretary of Defense for Health Affairs
1200 Defense Pentagon
Room 3E1070
Washington, D.C. 20301

Dear Secretary Woodson,

We write to respectfully request an update on the status of the congressionally-mandated study on the possibility of offering TRICARE Prime in the five U.S. territories, where military retirees currently lack access to this important program. We sponsored the provision requiring this study and it was included by the House Armed Services Committee in its report accompanying H.R. 5136, the National Defense Authorization Act for Fiscal Year 2011. (See page 316 of House Report 111-491, May 21, 2010). This provision states as follows:

The committee is aware that TRICARE Prime is not currently available as an option for Department of Defense beneficiaries in certain commonwealths and territories of the United States. The committee directs the Secretary of Defense to conduct a study examining the feasibility and cost-effectiveness of offering TRICARE Prime in the Territory of Guam, the Commonwealth of Puerto Rico, the United States Virgin Islands, the Territory of American Samoa, and the Commonwealth of the Northern Marianas Islands and to submit a report on the study to the congressional defense committees within 180 days of the date of enactment of this Act.

The required report was due 180 days after enactment of the National Defense Authorization Act for Fiscal Year 2011, which occurred on January 7, 2011 (P.L. 111-383). Accordingly, the report is now overdue.

We strongly believe that the range of health care services available to military retirees and their dependents residing in the U.S. territories should be the same as the health care services available to military retirees residing in the 50 states. Under current law, retirees in the territories under age 65 are eligible only for TRICARE Standard. By contrast, at least some retirees in 49 of the 50 states are eligible for both TRICARE Standard and TRICARE Prime. According to the 2009 TRICARE annual report, enrollment in Prime has "steadily increased" since 2003, in terms of both the total numbers of Prime enrollees and the number of Prime enrollees as a percentage of those eligible to enroll in Prime. By the end of Fiscal Year 2008, 69% of all eligible

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beneficiaries were enrolled in Prime: 5.28 million enrolled of the 7.67 million eligible to enroll. The lesson is clear: when retirees are given the choice, they overwhelmingly choose Prime over Standard. Yet, that choice is denied to all retirees in the territories.

This issue—and, therefore, this report—is extremely important to us and our constituents. We expect that the final report will be thorough, as the Committee intended it to be. We look forward to working with you once we have reviewed the report to improve health care services in meaningful ways for military retirees living in the territories:

Thanks for your prompt attention to this matter. Should you have any questions, please contact Matthew Herrmann (Bordallo) at matthew.herrmann@mail.house.gov or at 202-225-1188 or John Laufer (Pierluisi) at john.laufer@mail.house.gov or 202-225-2615.

Sincerely,

ADELEINE Z. BORDALLO

Member of Congress

PEDRO R. PIERLUISI

Member of Congress